



Social Responsibility Policy



Saudi Home Loans Company

- Recommended by the ExCom meeting held on 30th May 2022
- Approved by the Board meeting held on 28th June 2022, and recommended AGM approval.

SHL Social Responsibility Policy

1- Introduction:

The policy of social responsibility of the Saudi Home Loans Company has been established with the aim of complying with the main governance principles of financing companies issued by the Central Bank of Saudi Arabia (SAMA) and the Corporate Governance Regulation issued by the Capital Market Authority (CMA), which obliges financial institutions and listed companies to develop a Social Responsibility Policy to be approved by the General Assembly of the shareholders of the company upon the proposal of the Board of Directors. The Policy that ensures a balance between the objectives of the company and the objectives that society aspires to achieve in order to develop the social and economic conditions of society without prejudice to the financial solvency of the company or the owners of the company interests.

2- Objectives:

This policy aims to:

- i- Achieving balance and compatibility between the company's objectives and the social and economic goals that society in general aims to achieve.
- ii- Dealing responsibly towards the company's employees, shareholders, customers and all sectors of the society in which the company conducts its business.
- iii- Work to consolidate values and principles aimed at contributing effectively to building society and the future of coming generations.
- iv- Establishing the principles of knowledge and financial enlightenment in social work with the aim of increasing financial awareness and savings.
- v- Attention and dissemination of the culture of voluntary work among the company's employees to consolidate the principle of cooperation between the company and all members of society for social, economic and cultural activities in order to achieve support for various social projects and initiatives.
- vi- Work to facilitate the granting of financing loans and provide adequate housing for individuals and productive businesses in a way that achieves stability and contributes directly to the economic development of society.
- vii- Work to innovate products and services to meet the needs and requirements of society at fair costs without harming the solvency of the company or stakeholders.
- viii- Work on applying local and international best practices in the field of social responsibility to adopt and develop financial and cultural awareness programs to promote community awareness.
- ix- Work to support, adopt and employ persons with disabilities and develop their abilities through training and creating jobs suitable for their practical abilities.
- x- Any other objectives recommended by the Board of Directors and approved by the General Meeting of Shareholders.

3- Charity Works:

As the company is committed to applying the standards and requirements of the regulations related to money laundering and terrorist financing, the services provided to charities from donations and other means of support are limited to entities and institutions recognized by the Ministry of Human Resources

and Social Development, or under the regulations in force in the Kingdom and the international charters to which the Kingdom is a party.

4- Financial support and care:

The company contributes with financial support and care to the various institutions of society in order to serve and develop comprehensive economic development and add value to the company's business, employees, shareholders and customers, so the provision of these services should include a wide range of stakeholders including but not limited to social, economic, educational, health and environmental services and this may include the company's participation in various events, initiatives and sponsorship programs.

5- Governance of Social Responsibility:

The General Assembly acknowledge this Policy and the Corporate Social Responsibility program must be in line with this Policy with the aim of supporting various social activities including but not limited to philanthropy, social participation, support and sponsorship, and hosting events, programs and environmental issues.

The Board of Directors is authorized to approve initiatives and programs and is supervised by the Executive Committee of the Company in cooperation with the Executive Management (Social Responsibility Department) in order to ensure the creation of the expected value of social responsibility and to achieve the strategy of the Company, customers and society.

6- Social Responsibility Management Committee:

The Corporate Social Responsibility Committee is an administrative committee whose competence is limited to but not limited to:

- i- Propose social responsibility activities, initiatives and related programs within the approved budget of the company, discuss and review them with the executive management and recommend their approval by the Board of Directors through the Executive Committee.
- ii- Periodic review of social responsibility and its strategy, including the most important matters related to sustainability, aspirations and objectives in line with the continuous development of social responsibility and sustainability associated with stakeholders as well as risks or opportunities.
- iii- Review, recommend and promote the Social Responsibility Policy in order to obtain the approval of the Board of Directors through the committees emanating from it before obtaining the approval of the General Assembly.
- iv- Reviewing and approving the list of qualified community and charitable organizations/entities.
- v- Reviewing and supervising the implementation of the approved expenditure budget to be spent on the social responsibility activities to be implemented by the Company.
- vi- Ensuring that the Corporate Social Responsibility Management Committee complies with the approved support plan and focuses on strategic sponsorship and the mechanism that adds value to customers, investors, the community and relevant stakeholders.
- vii- Ensuring that the Company complies with local and international standards and guidelines and applies best practices in this regard.
- viii- Evaluating and reporting on the performance of social responsibility through its initiatives and associated activities.

7- Disclosure and Compliance:

The Company shall provide the required disclosures in its annual report in a way that includes details relating to the Social Responsibility, expenses and Costs Management Committee and all relevant details of the business and initiatives implemented in accordance with the Social Responsibility Policy or as amended from time to time, and the Board of Directors shall ensure that the Company applies the Social Responsibility Programs in line with the objectives and principles of this Policy approved by the General Assembly.

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